

UNITED STATES DEPARTMENT OF COMMERCE  
*for the Secretary*

## INFORMATION MEMORANDUM FOR THE SECRETARY

OCT 4 1994

FROM:

*Douglas K. Hall*  
Douglas K. Hall  
Assistant Secretary for  
Oceans and Atmosphere

SUBJECT: Decision on Northwest Emergency Assistance Plan

## I. ISSUE

On Tuesday, October 4, it is expected that the Department of Commerce (DOC) will publish a final rule in the Federal Register outlining the \$12 million emergency assistance package announced by you and former Office of Management and Budget Director Leon Panetta on May 26, to help fishermen and fishing communities in the Northwest cope with salmon restrictions imposed by the National Marine Fisheries Service.

## II. BACKGROUND

Following the May 26 announcement, Office of Sustainable Development and Intergovernmental Affairs Director John Bullard conducted eight town meetings in California, Oregon, and Washington in an effort to listen to concerns facing impacted fishermen and fishing communities. As a result of those meetings, Congressional briefings, and meetings with state officials, the following plan was developed:

Six million will be used for a habitat restoration jobs program to be administered through the Department of Agriculture's Soil Conservation Service; \$4 million will be used by the State of Washington for a permit buyback program, and \$2 million will be used for a data collection jobs program.

The State of Washington is targeted for \$6.6 million and \$2.7 million for California and Oregon respectively. These targeted state distributions are not fixed allocations but are flexible funds dependent upon demand for program dollars. The most needy commercial fishermen must meet certain eligibility criteria to participate in these programs.

The most vocal complaints will come from the California and Oregon delegations who feel they were shortchanged on the state distributions. These percentages were based on a melding of various data, none of which was definitive in and of itself. In all, five data sources were analyzed and judgement was exercised to take all the relevant factors into consideration.

Additionally, complaints will be heard from state and Federal officials in all three states because we did not include direct aid into our program. Direct aid was not employed in the President's timber initiative and would set a dangerous precedent for other impacted fisheries, i.e. Northeast.

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The program offers both short-term benefits, in the form of dollars for permits, and a "living wage" of up to \$10-15 per hour for the two jobs programs. But importantly, it offers potentially long-term benefits for the resource and the industry. DOC is working with the State of Washington, the Soil Conservation Service, and the Pacific States Marine Fisheries Commission and is securing the most expedient delivery of these funds to needy fishermen.

In addition, we have played a major role in persuading the Federal Emergency Management Agency and the President to declare coastal communities a disaster so that unemployed fishermen who would not ordinarily qualify for unemployment insurance assistance (because they are self-employed) would qualify for a special Department of Labor Disaster Unemployment Assistance program. In addition, we have worked closely with the Small Business Administration in the development of a special loan restructuring program (Fishing Industry Loan Restructuring Initiative).